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SURFACE TRANSPORTATION BOARD

OCT 22 2010

VIA UPS 2nd DAY AIR

October 20, 2010

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018-4214

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, Suite 100
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Section Chief:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement dated October 13, 2010, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Surface Transportation Board under primary Recordation Number 22581. The names and addresses of the parties to the enclosed document are:

Owner: ATEL Leasing Corporation
600 California Street, 6th Floor
San Francisco, California 94108

Lessee: Cascade and Columbia River Railroad
c/o RailAmerica, Inc.
7411 Fullerton St., Suite 300
Jacksonville, FL 32256

Lessor/Manager: First Union Rail Corporation
One O'Hare Centre, 6250 River Road, Suite 5000
Rosemont, IL 60018

A description of the railroad equipment covered by the enclosed document is for thirty (30) ballast cars; with AFCX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: **Memorandum of Lease**

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Best regards,



Marcia Dunne
Senior Rail Documentation Specialist

Enclosures

(CSCD141)

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ASSGN. NO.: CSCD141

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

13th THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the day of October, 2010, by and between First Union Rail Corporation (the "Lessor"), a North Carolina corporation, acting in its capacity as manager for ATEL Leasing Corporation, its successors and assigns, the owner of the Cars, as defined below, ("ATEL"), pursuant to a Railcar Management Agreement dated as of April 1, 2002, as amended, and Cascade and Columbia River Railroad Co. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 15, 1997, whereby Lessor has agreed to lease to Lessee certain railcars as described more specifically on Exhibit A attached hereto, (the "Cars"), pursuant to Rider No. 135 dated as of October 13, 2010, (the "Rider") which Rider incorporates by reference the terms and condition of the Lease and is a separate and independent lease, effective as of July 5, 2010, and subject to the terms, conditions and provisions of the above-mentioned Lease.

Lessor hereby assigns and transfers to ATEL all of its right, title and interest as Lessor in the Lease, excluding from such assignment only its rights as manager of the Lease and Cars under the Railcar Management Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written (and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below and that the execution of this Memorandum was the free act and deed of its corporation).

LESSOR:

FIRST UNION RAIL CORPORATION
as Manager for ATEL Leasing Corporation

Name: RICHARD F. SEYMOUR
VICE PRESIDENT SALES & MARKETING

Title:

Signature: Richard F. Seymour

LESSEE:

CASCADE AND COLUMBIA RIVER RAILROAD CO.

Signature: Charles M. Peterson
Name: Charles M. Peterson
Title: Vice President
Signature: Vice President

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty (30)

DESCRIPTION OF CARS: 1984 Greenville built: 1750 cu. ft, 100 ton, 263,000 GRL
Ballast Cars with automatic gates (solar)

CAR NUMBERS:

AFCX	905015
AFCX	905018
AFCX	905020
AFCX	905041
AFCX	905042
AFCX	905043
AFCX	905044
AFCX	905045
AFCX	905046
AFCX	905047
AFCX	905048
AFCX	905049
AFCX	905050
AFCX	905051
AFCX	905052
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AFCX	905067